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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/536,663	03/27/2000	Gary L Gastineau	11657-002001	3493

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EXAMINER

GREENE, DANIEL L

ART UNIT	PAPER NUMBER
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3621

DATE MAILED: 04/20/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/536,663

Applicant(s)

GASTINEAU ET AL.

Examiner

Daniel L. Greene

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09 March 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-22 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>15/3/18/04</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

The Examiner acknowledges the Interview Summary supplied by the Applicant and appreciates their effort. However, upon review of what the Applicant actually meant by the phrase, " wherein the security positions of the fund are kept confidential", it appears to the Examiner that the confidentiality of the security positions of the funds only occurs during the transmission phase. It is old and well known in the arts to encrypt data that is to be transmitted over public communications link to insure the confidentiality of the data if it was intercepted or acquired by an unauthorized recipient. As per the primary reference, Kane '728, he discloses encryption in reference to Secure Sockets Layer as data encryption between a client and a server.

The Applicant amended the first claim by further defining the adjusted portfolio to be "the security positions in the exchange-traded fund" (ETF). However, further defining the kind or type of data that is being received in an encrypted format does not render the functional limitation, i.e. receiving a file having ... data... in an encrypted format unique, original or non-obvious. The data, no matter what type or kind it was, as long as it was transmitted in encrypted form, would still be received in an encrypted format.

It is old and well known in the art, that encrypted information that is received must be decrypted to reveal the contents of what was received. Again, the type and kind of information that is encrypted, transmitted and received, is considered data and non-functional in nature. The receiving and decrypting steps would be performed

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the same regardless of the data. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to receive a file having encrypted data and decrypting the file having any type of content, because such data does not functionally relate to the steps in the method claimed and because the subjective interpretation of the data does not patentably distinguish the claimed invention.

The Applicant discloses that the combination of exchange traded funds, encryption and net asset value calculations is a new and non-obvious combination. The Examiner submits that Exchange Traded Funds are similar to mutual funds, except they trade the same way that a stock trades, on a stock exchange. As a point of reference, the Examiner submits the Ameritrade Exchange-Traded funds-ETF Center : Home and Ameritrade Exchange-Traded Funds- ETF Center: Education articles; “ **Could Exchange Rated Funds be right for you?**” and **Explore the essentials of ETFs.**

The Examiner submits that ETFs are just another type of a brokerage transaction. As a point of reference, the Examiner submits, Joao et al. U.S. Patent 6,047,270, APPARATUS AND METHOD FOR PROVIDING ACCOUNT SECURITY that defines brokerage transactions as , “ ... mutual fund shares and instruments, futures, options, index funds and their related and/or derivative instruments and derivative securities ...” Col. 31, lines 5-20. Kane ‘728 teaches about portfolios, position values held, retrieving

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brokerage information and intra-day buying and selling. The Examiner submits that an exchange-rated fund is a fund associated with established market indexes that does not render the manipulation of the EFT unique over the manipulation of any other type of fund. If the type of fund being manipulated rendered the application new, unique and non-obvious because PTO's guide lines for examining claimed language require: the examiner must make a determination, whether the claimed invention "as a whole" would have been obvious at the time of the invention to one of ordinary skill in the art. See MPEP 2142. In these pending claims, the examiner submits that the particular language that does not serve as a limitation on the claim is "exchange-traded fund".

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1,2,8-11,13,14,17-19, 20 and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kane U.S. Patent 6,317,728B1 [Kane '728], and in further view of NEWTON'S TELECOM DICTIONARY.

As per claims 1,13,20:

Kane '728 discloses the claimed invention except for receiving a file having adjusted portfolio security position information in the exchange-traded fund in an

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encrypted format. However, Kane '728 does teach the use of Secure Socket Layer, SSL, in communication over the Internet. Col. 7, lines 55-67, Col. 17, lines 57-65.

NEWTON'S TELECOM DICTIONARY, page 710 teaches that it is known in the art that a SSL protocol is a transport level technology for authentication and data encryption between a Web Server and a Web Browser. It would have been obvious to one having ordinary skill in the art at the time the invention was made to describe the communications system of Kane '728 as receiving in encrypted format a file having adjusted portfolio security position information in the exchange-traded fund because of the use of the SSL protocol. (The Applicant added "security position and in the exchange-traded fund, which is considered non-functional language. Receiving data by its very nature is considered receiving a file. Also, as detailed out in the Amendment Response section, data is data regardless of the modifiers attached to it.)

Kane '728 discloses the claimed invention except for decrypting the file having the adjusted information to provide the security positions in the exchange-traded fund portfolio. It would have been obvious to one having ordinary skill in the art at the time of the invention was made to decrypt the file information having the adjusted security positions since it is known in the art that to display or utilize data in calculations, it is normally decrypted and returned to it's recognizable format.

Kane '728 further discloses calculating the intra-day net asset value proxy for the fund by applying prices received from a quote feed to the security positions in the fund portfolio. Col. 10, lines 65-67, Col. 11, lines 1-8.

Kane '728 does not identify the fund portfolio as an exchange-traded fund. However, PTO's guide lines for examining claimed language require: the examiner must make a determination, whether the claimed invention "as a whole" would have been obvious at the time of the invention to one of ordinary skill in the art. See MPEP 2142. In these pending claims, the examiner submits that exchange-traded does not serve as a limitation on the claim. The calculation of the intra-day net asset would accomplish the same thing and have the same outcome regardless of the type of fund the calculations were done on.

The additional claim limitation of wherein the security positions of the fund are kept confidential, only refers to the time the data is encrypted which is during the transmission of the data. It is old and well known in the art, that encrypted data keeps the data confidential until it is decrypted.

As per claims 2 , 14 and 22:

Kane '728 further discloses:

disseminating the intra-day net asset value proxy for the fund on a continual basis throughout a trading day. Col. 8, lines 25-32.

As per claims 8 and 17:

Kane '728 further discloses:

populating a table with security-positions comprising a security identifier for each security position and quantity of the shares of each of the security positions held in the fund. Fig. 19.

As per claims 9 and 18:

Kane '728 further discloses:

continually receiving quotes from a quote feed; and determining whether a currently received quote corresponds to a security in the table. Col. 10, lines 47-67, Col. 11, lines 10.

As per claims 10, 11, and 19:

Kane '728 discloses the claimed invention except for the specific method of calculating a new value of a security position in the table as of the trading day by retrieving data comprising a number of shares in the position and multiplying the number of shares by the current quote for the security. However, it is inherently obvious that to calculate the position (value of the holding of a security) of a security, it is well known and understood that the number of shares multiplied by the current quote equals the value position of the security.

2. Claims 3,4,15,16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kane '728 and NEWTON'S TELECOM DICTIONARY as applied to claims

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1,2,13,14,15,16, 20 and 22 above, and further in view of Wolfberg et al. U.S. Patent 5,214,579 [Wolfberg '579]

As per claims 3 and 15:

Kane '728 discloses the claimed invention except for wherein the portfolio information is adjusted to reflect any transactions made on the prior trading day. Kane '728 does teach managing the portfolio in real time and taking into account all costs to optimize profit or cut loss. Col. 10, lines 47-67, Col. 11, lines 1-17. Kane '728 does not specifically provide the mathematics for the determination of the profit/loss. However, it is inherent in the determination of profit/loss that all costs be incorporated into the calculations when made available. Wolfberg '579 teaches that it is known in the art to provide wherein the portfolio is adjusted to reflect any transactions made on the prior trading day. Fig. 15A-B. It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the accounting system of Kane '728 with the wherein the portfolio is adjusted to reflect any transactions made on the prior trading day of Wolfberg '579 in order to provide accurate up to date figures to show real time profit/loss.

As per claims 4 and 16:

Kane '728 discloses the claimed invention except for wherein the portfolio information is adjusted to reflect credits and debits attributable to the current trading day.

Kane '728 does teach managing the portfolio in real time and taking into account all costs to optimize profit or cut loss. Col. 10, lines 47-67, Col. 11, lines 1-17. Kane '728 does not specifically provide the mathematics for the determination of the profit/loss. However, it is inherent in the determination of profit/loss that all costs be incorporated into the calculations when made available. Wolfberg '579 teaches that it is known in the art to provide wherein the portfolio information is adjusted to reflect credits and debits attributable to the current trading day. Fig. 15A-B.

It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the accounting system of Kane '728 with the wherein the portfolio information is adjusted to reflect credits and debits attributable to the current trading day of Wolfberg '579 in order to provide accurate up to date figures to show real time profit/loss.

3. Claims 5-7, and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kane '728 , NEWTON'S TELECOM DICTIONARY as applied to claims 1,2,13,14,20 and 22 above, and further in view of Atkins U.S. Patent 5,875,437 [Atkins '437].

As per claim 5:

Kane '728 discloses the claimed invention except for wherein the net asset value proxy calculation is executed within a trusted system. However, Kane '728 does disclose encryption and SSL Internet protocol.

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Atkins '437 teaches that it is known in the art to provide wherein the net asset value proxy calculation is executed within a trusted system. Col. 32, lines 48-60. It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the operating system/program of Kane '728 with the wherein the net asset value proxy calculation is executed within a trusted system of Atkins '437, in order to protect against non-authorized personnel from gaining access to the information.

As per claim 6:

Kane '728 discloses the claimed invention except for wherein the trusted system comprises physical hardware and an operating system configuration in which domain configuration and trust relationships are established to control access to information in the trusted system. However, Kane '728 does disclose encryption and SSL Internet protocol.

Atkins '437 teaches that it is known in the art to provide wherein the trusted system is a physical hardware and operating system configuration in which domain configuration and trust relationships are established to determine access to information in the trusted system. Col. 32, lines 48-60. It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the operating system/program of Kane '728 with the wherein the trusted system is a physical hardware and operating system configuration in which domain configuration and trust relationships are established to determine access to information in the trusted system of

Atkins '437, in order to protect against non-authorized personnel from gaining access to the information.

As per claims 7 and 21:

Kane '728 discloses the claimed invention except for wherein the relationship established in the trusted system denies access to the decrypted portfolio file outside of the calculation process.

However, Kane '728 does disclose encryption and SSL Internet protocol.

Atkins '437 teaches that it is known in the art to provide wherein the relationship established in the trusted system is denying access to the decrypted portfolio file outside of the calculation process. Col. 32, lines 48-60.

It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the operating system/program of Kane '728 with the wherein the relationship established in the trusted system is denying access to the decrypted portfolio file from outside of the calculation process of Atkins '437, in order to protect against non-authorized personnel from gaining access to the information.

Examiner's Note: Examiner has cited particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant.

Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the

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responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

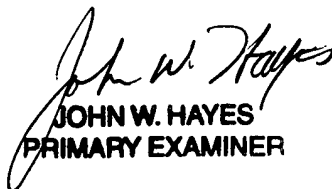
Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel L. Greene whose telephone number is 703-306-5539. The examiner can normally be reached on M-Thur. 8am-6pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell can be reached on 703-305-9768. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

DLG
4/12/04


JOHN W. HAYES
PRIMARY EXAMINER